

(Draft – Awaiting Formal Approval)

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Room 210, Senate Building, State Capitol Complex

December 12, 2014 AM

Members Present: Sen. Allen M. Christensen, Co-Chair
Sen. Diedre M. Henderson
Sen. Peter. C. Knudson
Sen. Todd Weiler
Sen. Brian E. Shiozawa
Sen. Evan Vickers
Rep. Ronda Rudd Menlove, Co-Chair
Rep. Daniel McCay, House Vice Chair
Rep. Tim M. Cosgrove
Rep. Paul Ray
Rep. Edward H. Redd
Rep. Earl D. Tanner

Members Excused: Sen. Luz Escamilla
Rep. Brad L. Dee
Rep. Rebecca Chavez-Houck
Rep. Marc K. Roberts

Members Absent: President Wayne L. Niederhauser

Staff Present: Mr. Russell T. Frandsen, Fiscal Analyst
Mr. Stephen C. Jardine, Fiscal Analyst
Ms. Paula Winter, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Co-Chair Christensen called the meeting to order at 8:40 a.m. and turned the chairmanship over to Rep. Menlove, since this would be her last meeting. Rep. Menlove expressed appreciation for working on the Social Services Appropriations Subcommittee.

2. Public Input on Topics on Agenda

Sandra Curcio, representing the association for Independent Living Centers, spoke about the independent living center building block request to be ongoing and also a request for assisted technology. She addressed the fact sheet each Committee member had.

Jason Giatras, new group home provider, spoke on reimbursement issues and difficulty in hiring with the low rates paid to workers.

Sen. Christensen commented on increases that were made but not received by the workers and asked Mr. Giattris for suggestions on how to get the funds to the workers. Mr. Giattris responded that better tracking and reporting could be a solution.

Kathy Giattris, co-owner of the group home Cory's house, spoke on the purpose of establishing this particular group home. She related the story of her son and his experience in a group home previous to it. She also spoke of the difficulty of keeping staff employed at the home.

Lincoln Nehring, advocate representing the Association for Utah Community Health and Voices for Utah Children, thanked Rep. Menlove for her advocacy and explained the purpose of the Association and the difficulty with funding especially in rural communities. He addressed the flyer passed out and the statistics on it. He also spoke on the uninsured rate for kids and the facts associated with that.

Rep. Menlove asked about those providers receiving loan repayment and how long they stay in the community. Mr. Nehring replied that it depends on the situation.

Sen. Christensen asked Rep. Redd, a physician, about how valid this program is and if it works. Rep. Redd responded that there are some issues in rural Utah keeping specialists but it does work to a point.

Sen. Shiozawa asked if there were differences in figures of people who have relocated and if there are specific sites where this funding is targeted and expressed a desire for further conversation on this issue.

Richard Baer, Director of the Lifeskills and Individual Needs Center, spoke about this center which serves people with disabilities such as autism. He explained the needs and desires of that population and the support the Center provides for the disabled. He continued to explain about the studies done to identify the needs and costs of supplying transportation. He referred to the handout available and pointed out the difference in the money provided and the actual cost of the service.

Dustin Erikson, Director, CTA Community Supports, explained the purpose of their services to children and adults with disabilities. He expressed concern for the rate of reimbursement for the transportation they provide. He also addressed staffing shortages in their organization because of low wages.

Kate McConaughy, provider, Work Activity Center, presented the function of the Work Center and services provided to over 150 individuals. She emphasized the transportation issues which are a prime concern to their organization and the importance of the effect on the families of these individuals. They are asking for ongoing funding.

Charlie Luke, Director of Utah Association of Community Services, shared the information that they involve 40 private provider agencies which serve over 5,000 individuals and employ about 4,500 staff to provide the services. He stated that over the last few years the provider rates have

not changed and the result is that Utah is tied with Texas for the lowest average starting rates. He also stated that the turnover rate is at 86%. He continued to address Sen. Christensen's question about what if things are changed how that would be handled and asked him to share how the funding would be assured to go where it needs to go.

Rep. Menlove thanked Mr. Luke for his concern and assured him that there would be other presentations and meetings that address those issues and that the accountability factor would be emphasized. She and Sen. Christensen also took a moment to welcome Rep.-elect Ward and Rep. Spendlove to join the Committee as future members.

Phil Shumway, Executive Director for TURN Community Center, which is a nonprofit agency providing services for people with intellectual disabilities, expressed concern for wages and turnover rates in their agency. He also stated concern for filling vacancies in their agency because of low wages. He also mentioned concern about the Affordable Care Act (ACA) and the effect that has on their costs because of the hours involved for those working for them.

Sen. Christensen made mention that it is recognized that if it weren't for profit motive these organizations would not exist and that because of today's economy there are other places these individuals could go to work for a higher wage. He emphasized that the issue of provider rates would be discussed and looked at seriously in this year's session. There continued to be some discussion between Mr. Shumway and Sen. Christensen.

Jim Jensen, Executive Director of TKJ, a private provider serving people with cognitive disabilities and mental disabilities with residential support, also spoke. He stated they are also dealing with the 86% turnover rate and low starting wages. He explained the source for some of their workers in the past and how that dynamic has changed because higher wages are needed.

Clint Anderson, Advocate, Citizen and constituent of Rep. Redd, stated that he has a mental illness and is finding it more and more difficult to pay for the treatment he needs. He desires to work but cannot afford to because of the conflict of Medicaid and insurance not paying for the medications needed if he and others desire to work.

Rep. Menlove thanked Mr. Anderson for taking the time to come and present to the Committee of the real needs of citizens.

3. Agency Presentations

Julee Smith, Executive Director of the Domestic Violence Shelter in Ogden and Chair of the Domestic Violence Committee for the State of Utah, thanked the Committee for what they have done to help save lives and give safe shelter. She made a request for ongoing funding so that the safety can continue to be provided. She also requested lethality assessment for situations that could be lethal. Ms. Smith introduced Kendra Wycoff, Director of the Domestic Violence Shelter Association, to clarify the amount of the request being made, what it will be used for, and where it would be distributed.

Andy Lane, citizen, shared his experience of issues with the Medicare program. He read a prepared statement that explained his experience with stage 4 melanoma cancer and what his insurance provided. He continued to explain his position and importance of treatment as it relates to the expansion of Medicaid. Rep. Menlove acknowledged that she has known Andy and his situation for years and thanked him for helping her to understand the issues he and others are facing.

Melanie Reese, Coordinator of the Utah Marriage Commission, referred to the handout and stated that their purpose today was to provide information regarding the Commission's purpose. She continued to refer to the handout to share what has been accomplished since they were established.

Sen. Christensen inquired if the Commission would be requesting an appropriation this year. The reply was affirmative and it was also stated that they would like the funding to be ongoing. There continued to be further discussion and comment from Rep. Menlove and Ms. Reese.

4. 2015 General Session Budget Requests and Issues

Rep. Menlove introduced the topic and asked the agencies to present their requests.

Dr. David Patton, Director of the Department of Health (DOH), stated they would combine the budget reduction item and their budget request in the presentation. Dr. Patton suggested that information about the 2% budget reduction would be better served after the Department has more time. He also suggested cost reduction through efficiencies in the Department. The budget requests for this year are recorded in the packet that had been presented to each member. He proceeded to summarize the items in several areas to be considered in this year's request. Rep. Menlove requested performance measures for the MMIS area and Dr. Patton said that would be easy to prepare and present and would have it ready to report.

Rep. Tanner inquired about the relationship of Avenue H to the Healthy Utah Plan and Dr. Patton explained that one of the things requested from the federal government was that the state have their own Avenue H plan available.

Sen. Knudson stated that there were two new legislators present and that the acronyms being used may be confusing, specifically MMIS which was mentioned previously. Dr. Patton explained that it stood for their Medicaid management information system and continued to explain the importance of it.

Sen. Shiozawa requested more information and figures about the Healthy Utah Plan and Dr. Patton proceeded to clarify some of the financing of that plan and how it would work.

Rep.-elect Ward asked about the woodwork effect and clarification of the Healthy Utah Plan. Dr. Patton explained that the woodwork effect was anticipated and so was included in predictions.

Rep. Redd also addressed certain elements of the woodwork effect and Medicaid as far as someone who has been determined to be disabled. Dr. Patton explained the eligibility determination system. Rep. Redd and Dr. Patton continued to discuss and clarify the issue.

Russell Frandsen, Fiscal Analyst, inquired whether the numbers presented on the Healthy Utah report were adjusted numbers and Dr. Patton responded that the numbers presented are not adjusted numbers.

Travis Wood, Youth Provider Association of Utah (YPAU), stated what they would be requesting for this year's budget and explained the purpose for this fund request. There was some further discussion between Rep. Menlove and Mr. Wood.

Rep. Tanner inquired about individual therapy provided and whether it was covered by Medicaid. Mr. Wood indicated that it is covered by Medicaid but the rates paid currently are lower than under traditional treatment. They continued to speak about cuts that were made and that caused the lower rates paid.

Rep. Menlove took a moment to recognize former First Lady Jacqueline Leavitt for her work on the Utah Marriage Commission. Ms. Leavitt spoke about a request for ongoing appropriations for the Marriage Commission and also clarified its purpose and roll.

MOTION: Sen. Christensen moved to approve the minutes for the morning and afternoon sessions of September 23, 2014. The motion passed unanimously with Sen. Escamilla, Rep. Chavez-Houck, Rep. Roberts, Rep. Dee and Rep. McCay and President Neiderhauser excused for the vote.

MOTION: Sen. Christensen moved that the Department of Human Services add or change its proposed performance measures for the Grand Families program to include measures that indicate new and /or increased services provided as opposed to a general statement of "improvement in the observed and reported behavior and education." The motion passed unanimously with Sen. Escamilla, Rep. Chavez-Houck, Rep. Roberts, Rep. Dee and Rep. McCay, and President Niederhauser excused for the vote.

Ann Silverberg Williamson, Director of the Department of Human Services (DHS), reviewed the three priorities they have determined to be the best practice for them to follow. She introduced Mark Brasher, Deputy Director for DHS who proceeded to present the request for this year. He referred to the documents available online and explained each area and the funding requests for each.

Rep. Redd had a question about savings from the Healthy Utah program. Mr. Brasher addressed that section as far as he could. Rep. Redd requested that there be more in depth discussion on this issue.

Rep. Cosgrove commented on the progress that the Division of Child and Family Services has made and praised them for their efforts to make their system better.

Rep. –elect Ward requested more information on the Medicaid match for the local authorities and who they are. Ms. Williamson directed the question to Doug Thomas, Director, Division of Substance Abuse and Mental Health (DSAMH), who responded that the local authorities are counties and the funds are for those who do not receive Medicaid. He stated that because of the

Healthy Utah program there will be more people that will receive services and therefore there will be savings from that coverage.

Sen. Shiozawa had an additional question about why the increase in aging services. Ms. Williamson respond that the case load is increasing and that it takes longer to investigate and process claims. Nels Holmgren, Division of Aging and Adult Services (DAAS), explained the need because of increase in the issue of financial exploitation of the aging and therefore a larger portion of workers needed to investigate those cases.

Rep. Ray questioned why it was necessary to investigate these cases of financial exploitation through DAAS when we have the Attorney General doing the same type investigation. Mr. Holmgren replied that it is a matter of building the cases so that the attorneys have a basis to go from because of their limited time. The attorneys are looking for strong cases to proceed with. The desire for the DAAS is to have an accountant on staff to help prepare these cases rather than having to pay someone hired outside to assist with the cases.

Rep. Menlove asked why there was no request to address the disability waiting list. Ms. Williamson replied that in the Division of Services for People with Disabilities from a one-time balance available the Department would like to put that toward a list of several other needs that have arisen. Rep. Ray raised a question about respite care and had a discussion with Rep. Menlove who indicated that issue will return in the upcoming session.

Rep. Redd requested clarification of why there is a balance remaining with the waiting list issue and if the waiting list is so long why there is that balance remaining. Ms. Williamson explained the process that has taken place in that area had to do with a lack of providers to provide the services necessary as a result of the low wages. Rep. Menlove and Ms. Williamson continued to discuss waiting list issues and services. Sen. Christensen and Paul Smith, Director of Services for People with Disabilities (DSPD), added information about the process.

Geoff Landward, Deputy Director, Department of Workforce Services (DWS), stated he would address the 2% reduction item and the building block item. He explained that one of the items in the 2% savings is the mandatory Medicaid expansion as a result of a change in the number of FTEs. The other area of savings would be in the higher Medicaid match rate that went from 50/50 to 75/25 which may change into an ongoing savings and not just this one-time savings. Mr. Landward referred to the special administrative expense account for their building block request and called on Ben Hart, Director of Employee Initiatives in the DWS to explain the building block request. Mr. Hart continued to outline the request and issues surrounding it including several procedures used to employ individuals.

Russ Thelin, Executive Director, Utah State Office of Rehabilitation (USOR), spoke about the 2% reduction request and stated that the cut would impact this agency significantly. He continued to explain by referring to figures on several charts available on the presentation documents. Mr. Thelin then referred to four Building Block priority requests which will be made during this year's session by looking at the information documents supplied to the Committee. Mr. Thelin spoke about the rural outreach needs and the requests for those areas and services and the performance measures.

Rep. Redd referred to a previous document which showed a decrease in dollar amount and asked for clarification of the reason for the decreased amount. Mr. Thelin clarified for Rep. Redd that the services needed are being provided and efficiencies have been implemented to decrease the amounts.

Ann Williamson, Director, Department of Human Services (DHS), provided numbers for the waiting list information.

5. Performance Measure Report Follow -up

Rep. Menlove referred to the performance measure information available to the Committee and indicated that there could be discussion if necessary. There were no questions.

6. Follow up on Background Check Systems Possible Consolidation Report

<http://le.utah.gov/interim/2014/pdf/00005440.pdf>

Russell Frandsen, Fiscal Analyst, referred to the last page of the document and reviewed the different background check systems for several state entities.

Rep. Redd asked what the goal is in going through the background check information and if the goal was to consolidate the checks. Mr. Frandsen informed him that the request had been made to look at the issue and study it. There continued to be conversation between Rep. Redd and Mr. Frandsen about how to share the information between entities. Rep. Menlove added a comment about how each entity requires different information for background checks and Rep. Redd asked if moving forward was the goal and asked what is trying to be accomplished.

Rep.-elect Ward asked if there have been requests from the different agencies to standardize the background checks and Mr. Frandsen informed him that this was a legislative request.

Rep. Cosgrove answered that part of this request came from him asking about background checks for childcare providers. Which have not been necessary previously and from now on those providers must have an FBI check which involves a national background check. He suggested that other agencies have different requirements and differing needs. Rep. Redd continued and asked if anything in this system is broken and needs fixing but that he did not see the need to fix anything currently.

Rep. Ray responded to Rep. Redd and said that the original purpose to look at this issue was to see if these checks could be done more efficiently and from a central location vs. spending more funds to let each agency spend money for software.

Rep. Tanner asked a question about funding. Mr. Frandsen answered the question about the daily check system. They discussed continuing funding of the background check system.

7. Review of Federal Block Grants

<http://le.utah.gov/interim/2014/pdf/00005513.pdf>

Stephen Jardine, Fiscal Analyst, referred to the brief and the summary information on it regarding Block Grant amounts, recipients, and how the grants can be used. Rep. Menlove offered some clarifying comments and invited agencies to present or to study the information and use for a later date.

Sen. Henderson indicated that this was a subject she would be interested in and requested that the agencies present their information.

Dr. Robert Rolfs, Deputy Director, Department of Health (DOH), informed the committee that they have two grants. One grant is the Maternal and Child Health Grant which he proceeded to explain as to the requirements necessary and what it covers. The other is the Preventive Health Services Grant which he explained has much to do with the community. He also explained that these are yearly grants.

Sen. Henderson asked for explanation of how the Block Grant funding worked and if there is maintenance of funding. Dr. Rolfs explained how these work and processes necessary to use the funding. He also shared information that this is a five year cycle program and the measures to be met. Dr. Rolfs also indicated that if the money is not granted the program will disappear.

Mark Brasher, Deputy Director, Department of Human Services, indicated that they have three grants. He spoke first of the Social Services Block Grant and explained what it was, the five main objectives of the Grant, and what it can be used for. He also stated that there has been a move to eliminate it and during the sequestration it was decreased by about 5% and they are currently using all of the grant amount.

Doug Thomas, Director of the Division of Substance Abuse and Mental Health (DSAMH), spoke about the Substance Abuse and Prevention Treatment and Mental Health Block Grants. He explained the use for the Substance Abuse Grant and the priority population targeted for its use and purpose for its use. The Mental Health Grant use was also explained and the focus for its use was indicated.

Rep. Tanner asked about the relationship of Medicaid expansion to the Grants being discussed and Mr. Thomas stated there is no relationship and continued to clarify uses of the grant. They continued to discuss the issue.

Rep. Redd questioned about the Early Intervention Services for individuals with early psychosis symptoms. Mr. Thomas explained programs from other states that have been successful in this area which they have been studying and learning from.

Nathan Harrison, Director of Finance, Department of Workforce Services (DWS), stated they have five Block Grants. He said the most flexible and the one that could be discussed easiest would be the Temporary Assistance for Needy Families (TANF) Block Grant. He spoke about what it could be used for and some things that are being done currently with those funds. He explained some other ways the Department is looking at spending in the community as well as with other Departments. He also spoke of the Child Care Block Grant which was recently reissued by Congress and that the use of this may change in the future. He referred to the other grants and stated there is probably less flexibility with those.

Russell Thelin, Director, Utah State Office of Rehabilitation (USOR), made comments on the Rehabilitation Basic Support Grant which is under Federal regulation. He made further comments on the Disability Determination Services Grant.

Rep. Redd asked whether these grants require state funding support and Mr. Thelin explained that it does not and further clarified how those programs work.

MOTION: Sen. Christensen moved to request the departments of Health and Human Services and Workforce Services and the Utah State Office of Rehabilitation provide to the Office of the Legislative Fiscal Analyst prior to the 2015 Legislative General Session detailed list of how each agency intends to use block fund amounts included in FY 2015 and FY 2016 budget documents for each block grant included in the issue brief titled “Federal Block Grants Used to Fund Social Services Programs.”

Rep. Redd asked for clarification on what the motion would actually do and Rep. Menlove clarified.

The motion passed unanimously with Sen. Escamilla, Rep. Chavez-Houck, Rep. Dee, Rep Roberts and President Niederhauser excused for the vote.

8. Follow up on Out-of-state and In-state Travel Costs

<http://le.utah.gov/interim/2014/pdf/00004440.pdf>

Russell Frandsen, Fiscal Analyst, referred to page 5 of the Brief available and explained the trend on pages 4 and 5 of the Brief. He then referred to page 2 which showed the trend by agency.

Rep. Menlove asked if there was a breakdown of in-state and out-of-state travel. Mr. Jardine indicated there was not but it could be done.

9. Office of Recovery Services Open Child Support Case as a Condition of Food Stamps Eligibility Report

Stephen Jardine, Fiscal Analyst, referred to a case from the previous year that involved a child support case and eligibility for food stamps. He summarized the information available.

Rod Hopkins, Research Professor, University of Utah Social Research Institute, introduced Robbi Poulsen, Economist and Graduate Research Assistant, referred to the documents available and presented statistics and information on their analysis of the issue of child support cases being opened by a custodial parent. They explained the option to make it mandatory for custodial parents to open cases and the ramifications that may present.

Sen. Henderson referred to page 17 and asked about not targeting non-custodial parents. Mr. Hopkins explained the reason for that. There was continued discussion. Sen. Henderson asked if there was any data on non-custodial parents who do not receive food stamps. Ms. Poulsen stated that there was no way to track those families in this research. Sen. Henderson and Mr. Hopkins and Ms. Poulsen continued discussion.

Rep. Tanner asked if there was lack of education on the part of the custodial parents about the issue of food stamps and Mr. Hopkins indicated there were several misconceptions that affected the opening of a case.

Rep. Menlove thanked the presenters and stated some things would be moved to this afternoon.

10. Homeless Shelter Building Renovation

Matt Minkevitch, Executive Director, the Road Home, introduced two people who are associated with the rebuild of the facility. He continued to explain the numbers for construction and site plan information. He stated that the building will be demolished in April and the permit will follow that. He stated that enough funding is committed to start construction and other funding possibilities available for the remaining funds necessary to complete the project. He shared a floor plan of the facility with the Committee and also explained that the goal is to create affordable housing for the people turning to them now. He confirmed that the \$500,000 funding would go completely toward construction. Rep. Menlove commented on the Housing First Initiative and how it is a very positive step forward.

Sen. Shiozawa commented on the good work of this project and asked about the projected capacity and the projected needs. Mr. Minkevitch responded with several statistics and situations that have been working.

Sen. Knudson asked how long the stay is in the shelter before they move to a different shelter and Mr. Minkevitch responded with some statistics about the variance in the numbers affected by the tenants' situations. Sen. Knudson also asked how priority is determined for those moving on to other housing opportunities. Mr. Minkevitch explained the process used to determine priority which had to do with longevity in the facility.

Rep. Cosgrove asked if their agency participated in the No More Homeless Vets Initiative. Mr. Minkevitch replied that they do work in that area with several other agencies.

Rep. Menlove recessed the meeting until 1:00 p.m. at the Liberty Senior Center, 251 East 700 South in Salt Lake City at 12:05 p.m.